

WC 05-218

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JUN 20 2005

Stamp and Return

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554

In the Matter of

**SHAREHOLDER OF FORESTHILL
TELEPHONE COMPANY,**

Transferor

AND

**SEBASTIAN ENTERPRISES, INC.,
TOGETHER WITH ITS SUBSIDIARY,
FORTEL, INC.**

Transferees

**FOR CONSENT TO TRANSFER CONTROL
PURSUANT TO SECTION 214 OF THE
COMMUNICATIONS ACT OF 1934,
AS AMENDED**

File No. _____

JOINT APPLICATION FOR STREAMLINED TRANSFER OF CONTROL

The single shareholder of Foresthill Telephone Company ("Foresthill"), Rose A. Hoeper, and Sebastian Enterprises, Inc. ("SEI") together with its wholly-owned subsidiary, Fortel, Inc. ("Fortel"), hereby request streamlined Commission authorization to transfer control of Foresthill. SEI is the parent company of an interstate and international carrier, KerTel Communications, Inc. ("KerTel"). Accordingly, pursuant to the Commission's *Declaratory Ruling*,¹ the proposed transaction is subject to the Commission's prior authorization despite the fact that Foresthill itself is not engaged in

¹ *In the Matter of Implementation of Further Streamlining Measures for Domestic Section 214 Authorizations, Declaratory ruling and Notice of Proposed Rulemaking, CC Docket No. 01-150, 16 FCC Rcd 14,109 (2001) ("Declaratory Ruling").*

the provision of interstate or international service.

The proposed transaction entails the purchase of 100% of the issued and outstanding stock of Foresthill by SEI's wholly-owned subsidiary, Fortel, from Ms. Hoeper. SEI and Fortel contemplate that the change in ownership will bring a wealth of enhanced services such as custom calling, DSL, and upgrades in network and operating features to Foresthill subscribers. Foresthill will be operated as a wholly-owned subsidiary of Fortel.

Section 63.04 Application

In accordance with the requirements of Section 63.04 of the Commission's Rules, the applicants submit the following information:

(1) Name, address and telephone number of each applicant:

Transferor

Ms. Rose A. Hoeper
Sole Shareholder of Foresthill Telephone Company
5915 Gold Street
PO Box 1189
Foresthill, California 95631
TEL: 530/367-2222
FAX: 530/367-3600

Transferees

Sebastian Enterprises, Inc.
811 S. Madera Avenue
Kerman, California 93630
TEL: 559/846-6277
FAX: 559/846-6127

Fortel, Inc.
811 S. Madera Avenue
Kerman, California 93630
TEL: 559/846-6277
FAX: 559/846-6127

- (2) **Government, state or territory under the laws of which each corporate or partnership applicant is organized:**

Each party to the proposed transaction is organized under the laws of the State of California.

- (3) **Name, title, post office address, and telephone number of the officer or contact point to whom correspondence concerning the application is to be addressed:**

For the Transferor

Ms. Rose A. Hoeper
Foresthill Telephone Company
PO Box 1189
Foresthill, California 95631
TEL: 530/367-2222
FAX: 530/367-3600

With a copy to Counsel:

Richard D. Rubino, Esquire
Blooston, Mordkofsky, Dickens, Duffy & Prendergast
2120 L Street, NW, Suite 300
Washington, DC 20037
TEL: 202/659-0830
FAX: 202/828-5568

For the Transferees

Ms. Rhonda Armstrong
Chief Operating Officer
Kerman Telephone Company
811 S. Madera Avenue
Kerman, California 93630
TEL: 559/846-7780
FAX: 559/846-6127

With a copy to Counsel:

Sylvia Lesse, Esquire
Kraskin, Moorman & Cosson, LLC
2120 L Street, N.W., Suite 520
Washington, D.C. 20037
TEL: 202/296-8890
FAX: 202/296-8893

- (4) **Name, address, citizenship and principal business of any person or entity that directly owns at least ten (10) percent of the equity of the applicant, and the percentage of equity owned by each of those entities:**

TRANSFEROR:

Foresthill Telephone Company

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Ms. Rose A. Hoepfer PO Box 1189 Foresthill, California 95631	100%	USA	Telecommunications

TRANSFEREES:

Fortel, Inc.

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Sebastian Enterprises, Inc. 811 S. Madera Avenue Kerman, California 93630	100%	USA	Telecom

Sebastian Enterprises, Inc.

For almost 50 years, 100% of the shares of Sebastian Enterprises, Inc. has been owned by members of the Sebastian family. Those family members who own or control 10% or more of the stock are:

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Susan Moran 811 S. Madera Avenue Kerman, California 93630		USA	Telecom
As custodian for Evan Moran	5.26%		
As custodian for Chris Moran	5.26%		
As Trustee for Moran Family Trust	14.57%		
As Co-Trustee (with Amanda Short) Of Sebastian/Moran Trust	11.64%		
Amanda Short 811 S. Madera Avenue Kerman, California 93630		USA	Telecom
As Trustee for Amanda Moran Short Revoc. Trust	5.26%		

SEI OWNERSHIP (con't)

<u>Name & Address</u>	<u>% Equity</u>	<u>Citizenship</u>	<u>Principal Business</u>
Scott Barcus and Frank Freiberger 811 S. Madera Avenue Kerman, California 93630 As Co-Trustees of the Sebastian/Barcus Trust	11.64%	USA	Telecom
Ruth Barcus 811 S. Madera Avenue Kerman, California 93630 As Trustee of the William Sebastian Administrative Trust	7.08%	USA	Telecom
As Trustee of the Kathleen Sebastian Survivor Trust	6.92%		
As Co-Trustee (with Edward Barcus) of the Barcus Family Trust	11.64%		

- (5) Certification pursuant to 47 C.F.R. Sections 1.2001 through 1.2003 that no party to the application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.**

All parties to this application hereby certify, pursuant to 47 C.F.R. Sections 1.2001 through 1.2003, that no party to the present application is subject to denial of Federal benefits pursuant to section 5301 of the Anti-Drug Abuse Act of 1988.

(6) Description of the Transaction:

SEI's wholly-owned subsidiary, Fortel, proposes to purchase 100% of the outstanding shares of Foresthill.

(7) Description of the geographic areas in which the transferor and transferee (and their affiliates) offer domestic telecommunications services, and what services are provided in each area:

Description of Foresthill

Foresthill is a rural telephone company, operating a single exchange in and around the town of Foresthill, in Placer County, California (near Sacramento). It serves approximately 3,250 access lines (2,725 residential and 525 business). The telephone service area covers approximately 200 square miles.

Description of SEI

SEI is the parent company of Kerman Telephone Company, a rural local telephone company that provides services to approximately 6,425 access lines (5,125 residential and 1,300 business) in the Kerman and Biola exchanges located in Fresno County, California (near Fresno). The telephone service covers approximately 175 square miles.

Another subsidiary of SEI, KerTel Communications, Inc. ("KerTel"), provides intra- and interstate interexchange service, as well as international service pursuant to authority granted by the Commission (File No. ITC-214-19990721-00440). KerTel also provides unregulated services to the citizens in and around the telephone company service area.

(8) Statement as to how the application fits into one or more of the presumptive streamlined categories in section 63.03 or why it is otherwise appropriate for streamlined treatment:

This application is suitable for streamlined consideration pursuant to 47 CFR 63.03(b)(2). Transferor has no interstate, interexchange market share; neither the transferee nor any of its affiliates provide competitive telephone exchange or exchange access services, and each of Foresthill and , Kerman Telephone Company,

have, in combination, fewer than two (2) percent of the nation's subscriber lines installed in the aggregate nationwide, and no overlapping or adjacent service areas.²

(9) Identification of all other Commission applications related to the same transaction:

Foresthill holds various operational radio licenses in the Common Carrier Fixed Point-to-Point Microwave, Paging and Radiotelephone, Rural Radiotelephone and Conventional Industrial/Business Pool Radio Services. Applications for the transfer of control of these licenses will be filed shortly.

(10) Statement of whether the applicants are requesting special consideration because either party to the transaction is facing imminent business failure:

No party to the application is requesting special consideration because of imminent business failure.

(11) Identification of any separately filed waiver requests being sought in conjunction with the transaction:

There are no separately filed waiver requests being sought in conjunction with the transaction.

² The parties and their affiliates serve a very small fraction of the 3,660,000 access lines that constitute two percent of the Nation's estimated 183,000,000 access lines. Source: "Federal Communications Commission Releases Study on Telephone Trends," Federal Communications Commission News Release, at 1 (May 6, 2004).


(12) Statement showing how grant of the application will serve the public interest, convenience and necessity, including any additional information that may be necessary to show the effect of the proposed transaction on competition in domestic markets:

SEI has a track record of providing quality basic and advanced telecommunications services to its subscribers. It proposes that Foresthill subscribers will enjoy the benefits of expanded communications and information service capabilities while, at the same time, continuing the history of dependable basic services provided by the Hoeper family. Both companies' subscribers will benefit from increased efficiencies which will result from joint administration. Accordingly, the parties respectfully submit that the public interest will be served by grant of this application.

Respectfully submitted,

**ROSE A. HOEPER, SOLE
SHAREHOLDER OF FORESTHILL
TELEPHONE COMPANY**

**SEBASTIAN ENTERPRISES, INC.
and
FORTEL, INC.**

By: 
Richard D. Rubino
Her Counsel

By: 
Sylvia Kesse
Their Counsel

Blooston, Mordkofsky, Dickens,
Duffy & Prendergast
2120 L Street, NW, Suite 300
Washington, DC 20037
TEL: 202/659-0830

Kraskin, Moorman & Cosson, LLC
2120 L Street, NW, Suite 520
Washington, DC 20037
TEL: 202/296-8890

06/17/2005 14:30 2020203300

DECLARATION OF ROSE A. HOEPER

I, Rose A. Hoepfer, President and sole shareholder of Foresthill Telephone Company, do hereby declare under penalties of perjury that I have read the foregoing "JOINT APPLICATION FOR STREAMLINED TRANSFER OF CONTROL" and that the information contained therein regarding Foresthill Telephone Company is true and accurate to the best of my knowledge, information and belief.

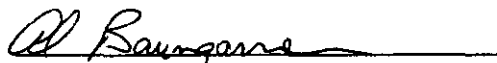
Dated: 6-17-05

Rose A. Hoepfer
Rose A. Hoepfer

DECLARATION OF AL BAUMGARNER

I, Al Baumgarner, Treasurer of Sebastian Enterprises, Inc. and Chief Financial Officer of Fortel, Inc., do hereby declare under penalties of perjury that I have read the foregoing "JOINT APPLICATION FOR STREAMLINED TRANSFER OF CONTROL" and that the information contained therein regarding Sebastian Enterprises, Inc. and Fortel, Inc. is true and accurate to the best of my knowledge, information and belief.

Dated: 6/15/05


Al Baumgarner

Certificate of Service

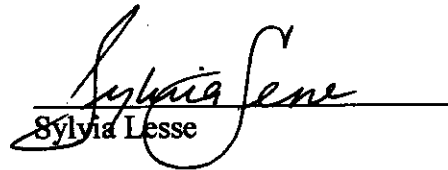
I, Sylvia Lesse, of Counsel to Kraskin, Moorman & Cosson, LLC, do hereby verify that on this twentieth day of June, 2005, I caused to be sent via First Class US Mail, postage prepaid, the foregoing "JOINT APPLICATION FOR STREAMLINED TRANSFER OF CONTROL" to the following:

The Hon. Arnold Schwarzenegger
Governor
State of California
State Capitol Building
Sacramento, CA 95814

US Department of Defense
Assistant Secretary of Defense for C31
100 Defense Pentagon, Room 3E712
Washington, DC 20301-1000

US Department of State
EB/CIP/SCA
Room 4826
2001 C Street, NW
Washington, DC 20520

*Tracey Wilson-Parker
Competition Policy Division
Wireline Competition Bureau
Federal Communications Commission
445 12th St, SW
Washington, DC 20554


Sylvia Lesse

*via hand delivery

READ INSTRUCTIONS CAREFULLY
BEFORE PROCEEDING

FEDERAL COMMUNICATIONS COMMISSION
REMITTANCE ADVICE

Approved by OMB
3060-0589
Page 1 of 3

(1) LOCK BOX # 358145		PROTECTED AREA	
SECTION A - PAYER INFORMATION			
(2) PAYER NAME (if paying by credit card enter name exactly as it appears on the card) Lesse, Sylvia		(3) TOTAL AMOUNT PAID (U.S. Dollars and cents) \$895.00	
(4) STREET ADDRESS LINE NO. 1 2120 L Street, N.W. - Suite 520			
(5) STREET ADDRESS LINE NO. 2			
(6) CITY Washington,		(7) STATE DC	(8) ZIP CODE 20037
(9) DAYTIME TELEPHONE NUMBER (include area code) 202-296-8890		(10) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(11) PAYER (FRN) 0010900918		PROTECTED AREA	
IF MORE THAN ONE APPLICANT, USE CONTINUATION SHEETS (FORM 159-C) COMPLETE SECTION BELOW FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(13) APPLICANT NAME Shareholder of Foresthill Telephone Company			
(14) STREET ADDRESS LINE NO. 1 PO Box 1189			
(15) STREET ADDRESS LINE NO. 2 5915 Gold Street			
(16) CITY Foresthill		(17) STATE CA	(18) ZIP CODE 95631
(19) DAYTIME TELEPHONE NUMBER (include area code) 503-367-2222		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0001546068		PROTECTED AREA	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE CUT	(25A) QUANTITY 1	
(26A) FEE DUE FOR (PTC) \$895.00	(27A) TOTAL FEE \$895.00	PROTECTED AREA	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	PROTECTED AREA	
(28B) FCC CODE 1		(29B) FCC CODE 2	
SECTION D - CERTIFICATION			
CERTIFICATION STATEMENT I, <u>Sylvia Lesse</u> , certify under penalty of perjury that the foregoing and supporting information is true and correct to the best of my knowledge, information and belief.			
SIGNATURE <u>Sylvia Lesse</u>		DATE <u>6/20/05</u>	
SECTION E - CREDIT CARD PAYMENT INFORMATION			
ACCOUNT NUMBER <u>[REDACTED]</u>		EXPIRATION DATE <u>[REDACTED]</u>	
I hereby authorize the FCC to charge my credit card for the service(s) authorization herein described.			
SIGNATURE <u>Sylvia Lesse</u>		DATE <u>6/20/05</u>	

SEE PUBLIC BURDEN ON REVERSE

FCC FORM 159

FEBRUARY 2003 (REVISED)

FEDERAL COMMUNICATIONS COMMISSION		SPECIAL USE ONLY	
REMITTANCE ADVICE (CONTINUATION SHEET)		SPECIAL USE ONLY	
Page No. 2 of 3			
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION			
(13) APPLICANT NAME Sebastian Enterprises, Inc.			
(14) STREET ADDRESS LINE NO. 1 811 S. Madera Avenue			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY Kerman.		(17) STATE CA	(18) ZIP CODE 93630
(19) DAYTIME TELEPHONE NUMBER (include area code) 559-846-6277		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0013651385		(22) FEE CODE	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY	
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	FEE DUE FOR (PTC)	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	FEE DUE FOR (PTC)	
(28B) FCC CODE 1		(29B) FCC CODE 2	
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY	
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	FEE DUE FOR (PTC)	
(28C) FCC CODE 1		(29C) FCC CODE 2	
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY	
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	FEE DUE FOR (PTC)	
(28D) FCC CODE 1		(29D) FCC CODE 2	
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY	
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	FEE DUE FOR (PTC)	
(28E) FCC CODE 1		(29E) FCC CODE 2	
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY	
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	FEE DUE FOR (PTC)	
(28F) FCC CODE 1		(29F) FCC CODE 2	

FEDERAL COMMUNICATIONS COMMISSION REMITTANCE ADVICE (CONTINUATION SHEET) Page No. 3 of 3			APPROPRIATE FCC REGISTRATION
USE THIS SECTION ONLY FOR EACH ADDITIONAL APPLICANT SECTION BB - ADDITIONAL APPLICANT INFORMATION			
(13) APPLICANT NAME Fortel, Inc.			
(14) STREET ADDRESS LINE NO. 1 811 S. Madera Avenue			
(15) STREET ADDRESS LINE NO. 2			
(16) CITY Kerman.		(17) STATE CA	(18) ZIP CODE 93630
(19) DAYTIME TELEPHONE NUMBER (include area code) 559-846-6277		(20) COUNTRY CODE (if not in U.S.A.)	
FCC REGISTRATION NUMBER (FRN) REQUIRED			
(21) APPLICANT (FRN) 0013651344		(22) FIC NUMBER	
COMPLETE SECTION C FOR EACH SERVICE, IF MORE BOXES ARE NEEDED, USE CONTINUATION SHEET			
(23A) CALL SIGN/OTHER ID	(24A) PAYMENT TYPE CODE	(25A) QUANTITY	
(26A) FEE DUE FOR (PTC)	(27A) TOTAL FEE	(28A) FEE DUE FOR (PTC)	
(28A) FCC CODE 1		(29A) FCC CODE 2	
(23B) CALL SIGN/OTHER ID	(24B) PAYMENT TYPE CODE	(25B) QUANTITY	
(26B) FEE DUE FOR (PTC)	(27B) TOTAL FEE	(28B) FEE DUE FOR (PTC)	
(28B) FCC CODE 1		(29B) FCC CODE 2	
(23C) CALL SIGN/OTHER ID	(24C) PAYMENT TYPE CODE	(25C) QUANTITY	
(26C) FEE DUE FOR (PTC)	(27C) TOTAL FEE	(28C) FEE DUE FOR (PTC)	
(28C) FCC CODE 1		(29C) FCC CODE 2	
(23D) CALL SIGN/OTHER ID	(24D) PAYMENT TYPE CODE	(25D) QUANTITY	
(26D) FEE DUE FOR (PTC)	(27D) TOTAL FEE	(28D) FEE DUE FOR (PTC)	
(28D) FCC CODE 1		(29D) FCC CODE 2	
(23E) CALL SIGN/OTHER ID	(24E) PAYMENT TYPE CODE	(25E) QUANTITY	
(26E) FEE DUE FOR (PTC)	(27E) TOTAL FEE	(28E) FEE DUE FOR (PTC)	
(28E) FCC CODE 1		(29E) FCC CODE 2	
(23F) CALL SIGN/OTHER ID	(24F) PAYMENT TYPE CODE	(25F) QUANTITY	
(26F) FEE DUE FOR (PTC)	(27F) TOTAL FEE	(28F) FEE DUE FOR (PTC)	
(28F) FCC CODE 1		(29F) FCC CODE 2	